

# The Basics of FEMA's Public Assistance Program in Puerto Rico

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## What is Public Assistance?

Public Assistance reimburses local governments and certain private nonprofit organizations for removing disaster-generated debris, the cost of preparing for and responding to the disaster and repairing or replacing eligible infrastructure including roads, bridges, buildings and utilities.

Below describes what happens in Puerto Rico when a government agency or nonprofit applies for reimbursement through Public Assistance.

## What's Eligible

Projects that may be eligible for reimbursement include repairing or replacing disaster-damaged facilities and infrastructure, debris removal and activities to protect lives and public safety.

Facilities and systems that provide critical services may be eligible for additional funding to upgrade to industry standards. Critical services facilities provide the following:

- Electricity
- Water, sewer and wastewater treatment
- Education
- Medical care

Expenses that are not disaster-related are ineligible for reimbursement.

## Identify Damage

Government agencies and nonprofit organizations are responsible for identifying all the facilities damaged by hurricanes Irma and Maria.



## Site Visits

Local, Government of Puerto Rico and FEMA representatives visit sites to document disaster damage.

## Developing Specifics

The government agency or nonprofit works with the Government of Puerto Rico and FEMA to detail specific items including expenses and scope of work.

FEMA must assess the claim and verify supporting documentation before making an eligibility determination.

This process ensures that the following federal eligibility requirements for disaster-related reimbursement projects are satisfied:

- Is the applicant eligible?
- Is the funding eligible?
- Is the work eligible?
- Are the costs eligible?

## Importance of Submitting Documents

Government agencies and nonprofits need to submit documents so FEMA can make an eligibility determination. These include labor records, list of equipment used and maintenance records.

Applicants that used contractors should also submit copies of contracts and invoices.

Documentation is important because it supports the applicants' claims before FEMA may approve funding for disaster-related expenses.

The FEMA representative works with the government agency or nonprofit to submit documentation that answers these questions.

## Obligating Money

FEMA may proceed to obligate money to reimburse eligible disaster-related costs only after validating that the applicable eligibility criteria are met.



## How Government Agencies, Nonprofits Get Money

FEMA never directly pays government agencies and nonprofits that apply for Public Assistance.

Instead, FEMA provides Public Assistance funds to the Government of Puerto Rico, which is then responsible for disbursing the money to applicants. The Government of Puerto Rico has its own requirements of government agencies and nonprofits before they receive the money.

## How Much Does FEMA Pay

The federal share of Public Assistance in Puerto Rico's Hurricane Maria recovery is not less than 90 percent of the eligible cost. The Government of Puerto Rico determines how the remaining nonfederal cost share is paid.

FEMA authorized 100 percent funding of emergency work—debris removal and emergency protective measures—for eight months with zero cost to the Government of Puerto Rico. Given, the magnitude of the hurricanes, FEMA extended 100 percent cost share deadlines to the following dates:

- Emergency protective measures: May 18, 2018
- Debris removal: June 17, 2018
- Emergency power restoration: Aug. 16, 2018
- Tu Hogar Renace: Sept. 15, 2018

Now that the emergency phase has ended, cost shares for the categories are now 90 percent.

## Capped Grants

FEMA provides capped grants. This allows applicants to combine multiple recovery projects into a single grant.

Applicants may benefit from capped grants because it gives them more flexible use of funding and streamlines the administrative process.

When actual recovery costs are less than what FEMA approves, applicants may use excess funds from capped grants for other projects. FEMA must approve



projects before applicants receive excess funds.

However, if the actual costs are more than what FEMA approves, the applicant is responsible for funding the cost difference.

